

# Earl Warren's Lost Cause

## *How the United States Might Have Had Canadian-Style Health Insurance*

Daniel J. B. Mitchell

*Canada has a universal system of health insurance through single-payer funds operated at the provincial level. The U.S. failure to adopt some form of national health insurance is commonly seen as the result of the defeat of the Truman health plan in 1949. But could the United States have evolved a Canadian-style system, with state-run health funds? California governor Earl Warren proposed such a plan in 1944 and might have succeeded in putting it across.*

THE PRIMARY SOURCE OF HEALTH INSURANCE FOR WORKING AMERICANS and their dependents is at the job. Employers on a voluntary basis—albeit encouraged by the tax code—purchase insurance from private carriers and provide it to their employees. During the 1980s and 1990s, however, various elements in the employment relationship began to come undone. One component of the change is that own-employer coverage reported by U.S. employees aged twenty-one to sixty-four fell from 72 percent in 1979 to 60 percent in 1998 (Medoff et al. 2001, app., table 4). In Canada, by way of contrast, such insurance was provided to all residents, largely through provincial government-sponsored plans.

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Despite the similarities between the United States and Canada, on many dimensions of social policy the two countries diverge. Unionization rates, for example, are notably different between the two. A common explanation for these differences is that Canadians are more collectively minded whereas Americans are individualists. While these stereotypes may have some validity, they hide the iterative and sometimes adverse paths through which social and workplace institutions evolve. The United States might have had a Canadian-style health insurance plan if only Earl Warren had been as effective on health policy as he was on other key California issues.

The name Earl Warren in this context and the reference to California may surprise many readers. Most people know Warren as the famous chief justice of the U.S. Supreme Court whose decisions on desegregation, legislative apportionment, and defendants' rights were so important. Many do not know that before he was chief justice, Warren was an ambitious California Republican politician who hoped to become president. During the 1930s, he was associated with the Herbert Hoover wing of his party. His hoped-for stepping-stone to the presidency was the governorship of the state, a position to which he was elected three times beginning in 1942. Warren governed the state during a period of rapid economic and population growth. As governor, he developed a reputation as an effective administrator during a period when California led the nation in areas such as highway development and the expansion of public higher education.

But despite his successes in other important policy areas, Warren's proposal for a state health insurance system covering all employees was a failure. Because of its failure, few people today know of the plan.<sup>1</sup> Health-care historians have generally assumed that the turning point in health policy—the point at which the United States decisively moved away from a government-run single-payer plan and adopted an employer-based system—occurred in 1949 when Harry Truman's plan failed in Congress. That view assumes that a government-run plan had to be at the federal level, yet there are other forms of social insurance, such as worker's compensation, that are state-run. And still others, such as unemployment insurance, are joint federal-state

affairs. Conceivably, the United States could have adopted a state-based health insurance system similar to Canada's provincial model. If Warren's proposal in California had succeeded in the mid-1940s, a state or federal-state plan might well have become the U.S. model.

### Dewey vs. Warren

Warren tried for the Republican presidential nomination in 1948. When that effort did not succeed, he agreed to be Thomas Dewey's vice presidential running mate after being promised that the vice president would play a key role in a Dewey administration. A ticket containing the governors of New York and California was considered unbeatable, although, of course, the Dewey-Warren ticket ultimately came up short in the 1948 election. But one of the ironies of the Dewey-Warren partnership was the diametrically opposite views held by Warren and Dewey on the health-care issue.

Earl Warren supported a government-run system; Thomas Dewey adamantly opposed the idea. The conflict between the two men was an obvious issue for Democrat Harry Truman to exploit. Shortly before the Republican convention, Dewey had denounced "politicians (who) want to relegate the business of curing sick people to the dead level of government mediocrity" ("Dewey Attacks" 1948).

Meanwhile, Warren defended his concept of a state health plan in the pages of a national magazine. He denounced those opponents of his plan who had used "ideological blackjack slogans" to defeat it (Warren 1948).

### Pre-Warren Health Proposals in California

As in the rest of the United States, health care in California was long viewed as a private matter. Individuals were supposed to pay for their own care on a direct fee-for-service basis to providers. Widespread job-related private health insurance as we know it today was largely a post-World War II development.

Before the war, a few employers in California did provide health

services for workers. The Southern Pacific Railroad, as an example, maintained a company-run hospital for its employees. But California deviated from the individual doctor/fee-for-service model in innovative ways. As an alternative to the usual fee-for-service practice, capitation arrangements such as Ross-Loos and Kaiser Permanente—essentially early HMOs—were developed, albeit with vociferous opposition from the medical establishment. Under capitation, subscribers paid a fixed monthly fee for whatever services they turned out to need.

The medical profession detested capitation. The charging of a fixed, per capita fee was transparent enough to engender price competition. Indeed, even private insurance was feared by doctors as a route to eventual price control by the carrier. Hospitals in California nonetheless began to offer Blue Cross in the early 1930s. In the late 1930s, as a defensive move, the California Medical Association (CMA) began to offer what became Blue Shield, the California Physicians Service (CPS).

A minority of doctors were willing to support private insurance, and a few even looked favorably on a government-run plan. In 1918, a ballot proposition in California would have permitted the establishment of a state-run health insurance plan. And at the time, some doctors were willing to entertain the idea. After all, it offered a subsidy in the form of free, government-paid care to their profession. But ultimately the CMA opposed the proposition—fearing state government price caps—and it was defeated.<sup>2</sup>

At the national level, the Roosevelt administration's social security planners had hoped to include health insurance in their proposal, but potential opposition from organized medicine deterred them from adding a health component. Nonetheless, the idea of a government-run system was in the air. In California, the CMA flirted with state health insurance in 1935 and actually proposed a state plan—to be administered by doctors, of course. It hoped to blunt any move toward a state-level plan that doctors could not control. But opposition within the CMA led the organization to withdraw support for its own proposal. At the same time, health reformers in California opposed the idea of a state plan dominated by doctors. The combined opposition killed any chance of a state program in 1935.

California state politics moved to the left with the election of Democrat Culbert Olson as governor in 1938, the first Democrat to hold the job in decades. The California Democratic platform in 1938 included support for implementation of a state-run health plan. Several faculty members of the University of California-Berkeley, including physicist J. Robert Oppenheimer (who later headed the Manhattan Project), formed a group to promote a state health plan. After his election, Governor Olson appointed two of its members to help draft a proposal that was presented to the state legislature in 1939.

Olson's proposed plan covered workers with incomes below \$3,000 per annum (estimated at the time to be about 90 percent of the California workforce) on a compulsory basis to avoid any adverse selection. Payments would be made to physicians on a capitation basis to help the state control costs. A 3 percent payroll tax, to be shared equally by employers, employees, and the state, was proposed to finance the program. Olson, whose political skills were limited, naively believed that because the idea appeared in the state Democratic platform, Democrats in the legislature were bound to support it. In fact, many Democrats in the state legislature were fiscal conservatives despite their party affiliation. As members of the so-called "Economy Bloc," they fretted about the potential cost of Olson's program. Ultimately, doctor and business opposition—combined with this legislative reluctance—killed the Olson plan.

### **Why a Warren Plan?**

Warren defeated incumbent Olson in the 1942 gubernatorial election. As governor, Warren depicted himself as a bipartisan official and, in fact, included Democrats as well as Republicans as advisors. Even before the 1942 election, Warren as state attorney general had feuded with Olson on various issues. And the election itself had been bitter. Nonetheless, in late 1944, Warren revived the Olson idea of state health insurance, while barely acknowledging the fact that his predecessor had proposed it first. Indeed, by the time he wrote his memoirs, Warren's account of the health plan episode avoided any reference to

Olson (Warren 1977). Yet Warren's staff in fact used the old Olson plan as a starting point in drafting the Warren proposal. Why would Warren revive an idea that had been his detested predecessor's?

By 1944, Warren had several motivations for proposing his health plan. It was sometimes said that on a personal level he had been shocked by the cost of health care when someone in his family became ill, although—if that were the case—it was never clear who that family member was. A more likely explanation is that there were compelling ideological and political motives. Warren—like many other Republicans—viewed the New Deal as an overreaching of federal power. He may have felt that handling social insurance at the state level—as had occurred in the case of Worker's Compensation—was a better approach. If states could create their own health schemes, federal agitation for a national plan—already in evidence among congressional Democrats—would be blunted. Warren was unconvinced that the private sector would take care of the health issue. As a prosecutor, Warren had cracked down on sham sickness insurance policies that were being offered by private insurers.

In addition, California had an elderly population profile prior to World War II and was beset by elderly agitation for various state and national pension schemes. Warren himself had successfully courted pensionite support in his run for the governorship. But during the war, the state began to draw in younger people to work in the new aircraft factories, shipbuilding facilities, and other military-related enterprises, and returning soldiers could be expected to settle in California after the war. A health scheme would have an appeal to young and old, since everyone uses medical services.

Finally, if Warren could create a successful state health plan, he would draw favorable national attention to himself, attention that would be helpful to his presidential ambitions. Earlier in 1944—in a foreshadowing of the events of 1948—Dewey had offered Warren the vice presidential slot on the Republican presidential ticket. Warren had turned down the offer, not wanting to embark on a losing contest against a popular Democrat in the midst of a major war. But he was clearly a figure on the national political stage by mid-1944,

only a few months before he unveiled his proposed state health plan.

It is important to note that in the mid-1940s, it was unclear what path the United States might take regarding health insurance. Employer-based health insurance was embryonic and certainly not entrenched. Most private insurers were not in the health care market. And public opinion on what should be done was fluid. A poll sponsored by the CMA in 1943 found that about half the population supported "socialized" medicine. But that same poll also found that support for a government plan fell sharply if a private alternative was suggested (Starr 1982, 282).

### **Warren's First Plan**

Warren's usual modus operandi when it came to controversial legislation was to condition public opinion initially. He would, for example, create a commission or taskforce to examine the issues, to involve relevant interest groups, to hold hearings, and to report recommendations. Then he would move to the legislature with the leverage thus gathered, relying on friendly members in both houses to carry a bill. He was willing to compromise, when necessary, to advance his program, but he liked to set the basic agenda.

Unfortunately, Warren's health proposal was not handled in this fashion.<sup>3</sup> Rather than follow the standard script, the governor just unveiled his plan without the usual conditioning of public opinion. Why he did so remains unclear, but the decision may well have changed the course of American social policy.

Warren's staff did begin by trying to create a case for state health insurance. Military draft records were obtained that would show rejection rates for unhealthy youths in California. But staff research was not completely accurate. It was reported to Warren, for example, that Governor Dewey planned to support a state plan in New York. It is true that this information was passed to Warren before Dewey had taken an adamant public stand against such an idea. But there was never a point in time when Dewey intended to support a New York health plan.

Consultations with the major interest groups involved in health care, as will be described below, were limited and, in fact, did more harm than good. Warren had some contact with the likely opposition, but apparently there was miscommunication. He did little advance consulting with organized labor, a likely source of support for state health insurance. The business community was apparently not consulted even though the Warren plan involved a payroll tax.

Without the careful background preparation that Warren usually employed, his health proposal was immediately in danger. The usual strategy was to condition public opinion so that the legislature would follow without a great deal of hands-on intervention by the governor. Absent that preparation, Warren's approach could lead to charges that he failed to consult, that he had an exclusive circle of advisors, and that only a few friendly legislators were involved in the initial planning.

Basically, the Warren plan was simple enough. There would be a 3 percent payroll tax, split between employer and employee, on the first \$4,000 of income. The tax would provide revenue for a state insurance fund that would pay doctor and hospitalization expenses on a fee-for-service basis for employees and their dependents. A ten-member board with representatives from business, labor, agriculture, and the medical profession would administer the system. Doctors would not be compelled to join the plan as providers. But, of course, patients of those doctors who did not join would not be eligible for plan benefits. Warren announced the plan in late 1944 and promised in early January 1945 that working out the details would be his "main order of business." It was clear, therefore, that the governor regarded the proposed California health plan as the centerpiece of his legislative program.

Warren did understand that, based on the history of the Olson plan, the CMA was likely to be the main opposition to his health plan. But he was a gregarious individual who put much stake in personal relationships, and he felt he had good personal relations with the CMA. Warren had allowed CMA officials to recommend to him the director of his Department of Public Health, Dr. Wilton Halverson. But it was a misjudgment on Warren's part to think that his past favor to the CMA



would defuse its hostility to state health insurance. Still, armed with the belief that a personal, friendly contact with CMA officials would disarm the opposition, Warren met with a group of key CMA leaders in late 1944. He indicated in general terms that he would be formulating a state health plan, although he apparently did not provide details.

As it turned out, even the simple facts of the CMA-Warren meeting proved controversial. One of the meeting's key participants, Dr. John W. Cline (who was later to become president of the CMA), claimed that Warren promised that no new plan would be announced until the CMA's House of Delegates could consider the matter early in 1945. Others in the Warren administration disputed Cline's account and viewed the contact as simply a courtesy contact.

When the plan was announced—before the delegates met—the timing must have suggested to the CMA representatives that the Warren plan was further along when the Cline meeting took place than the governor had suggested. During an interview many years later, Cline was still so incensed that he would not even acknowledge that Governor Warren was physically a large man. (If there was one incontrovertible fact, it was that Warren—at 6 feet tall and 215 pounds—was a large man.) When the CMA's delegates met in early 1945, after the plan was announced, they strongly opposed the Warren proposal.

Governor Warren, perhaps sensing the inevitable opposition that was rising among the doctors, declined to attend the CMA delegates' meeting. Instead, he sent Dr. Halverson—his CMA-recommended director of public health. Halverson first hoped that the delegates might accept a study of alternative health programs, with action on any legislative enactment delayed until 1946. Even that compromise, however, was not acceptable. The doctors would, at most, endorse an extension of unemployment insurance to cover hospitalization of the unemployed, an idea that Warren's staff thought conflicted with federal law.

Meanwhile, the angry Dr. Cline became a major figure in managing the CMA's opposition campaign to the Warren plan. Cline obtained the services of a seasoned California political consulting firm, Whitaker and Baxter (also known as Campaigns Inc.), to handle the

campaign against a state health plan. Clem Whitaker Sr. and Leone Baxter, a husband-and-wife team, were especially skilled at what is today termed "negative campaigning."

Whitaker and Baxter had been employed by Earl Warren during his 1942 campaign for governor. But friction between Whitaker and Warren before the election led to a falling-out between the two men. As a result, Whitaker was delighted to lead the anti-Warren health plan effort. Still, he advised Dr. Cline that CMA had to do more than just stand in opposition to Warren's plan. The medical profession could not beat something with nothing; it had to have an alternative to the Warren plan. California Physicians Service, the CMA's voluntary (Blue Shield) insurance plan, would need to be expanded. The argument could then be that private insurance, such as that offered by CPS/Blue Shield, would take care of California's medical requirements.

California's business community reacted more slowly to the Warren proposal than the doctors did, in part because business leaders had not been consulted in advance. But by late February, the state chamber of commerce formally opposed Warren's proposal—arguing that his plan would make California less cost-competitive with other states by boosting payroll taxes. The position of the chamber was that plan funding was inadequate and that a state budget deficit would result.

Organized labor should have been an ally to Warren. But an alternative, rival bill was submitted by the Congress of Industrial Organizations (CIO), thus dividing labor union support for state health insurance. At the time, unions were split into rival camps, the American Federation of Labor (AFL) and the more radical CIO. Warren's plan was based on a fee-for-service reimbursement of medical services, probably to assuage doctor opposition to capitation. After all, the doctors' own CPS/Blue Shield was a fee-for-service arrangement. Warren knew that doctors had shown much hostility to existing private capitation systems such as Ross-Loos and Kaiser. And Warren's fee-for-service plan was acceptable to the AFL.

However, the fee-for-service vs. capitation choice led to concerns from another quarter. Since Kaiser and Ross-Loos operated on a capitation basis, it was unclear how these plans would fit into what War-

ren proposed. Would these innovative providers be put out of business if all employees were covered by a fee-for-service plan run by the state? When these providers expressed concern, Warren asserted that his plan would somehow accommodate the capitation-based systems. But exactly how such accommodation would be accomplished was never clarified.

And there were complaints and concerns from other provider groups that felt left out of the Warren plan: chiropractors, visiting nurses, Christian Science healers, and optometrists. Naturally, all of these groups wanted to receive reimbursement for their services under any state plan that might be adopted. Of course, if Warren followed his usual practice of public consultation before making a specific policy proposal, some of these interest-group concerns could have been accommodated or at least anticipated.

### **Defeat of the First Warren Plan**

As opposition crystallized, it became evident to the Warren administration that a major public relations campaign would be necessary to enact its health proposal. Two radio programs were planned to air in late February. In the first broadcast, Warren outlined his proposal. The second radio address attacked the argument that the proposal would lead to state budget deficits and new taxes. But radio was also used by the opposition. In CMA-sponsored broadcasts, the Warren bill and the CIO bill were treated as if they were one, in an effort to tar Warren's plan with perceived CIO radicalism.

Television barely existed in 1945, so radio was very important. However, newspapers also played an important part in the controversy sparked by the Warren plan. Whitaker and Baxter had developed a newspaper distribution network that provided local papers with free editorials on issues of the day. They used the network to offer editorials opposing the Warren plan to newspapers around the state.

Within the legislature, Warren's staff sought to provide convincing expert testimony. There were health experts at the University of California-Berkeley, but they were opposed to fee-for-service and took

a more radical stance on issues than Warren would have wanted. Unfortunately, the expert the Warren administration ultimately chose had a fatal flaw. Dr. Nathan Sinai of the University of Michigan had done much research on health insurance, but his academic training was in veterinary medicine and public health. Given that background, Warren plan opponents ridiculed Sinai as a "horse doctor" with expertise in "mosquito abatement." They questioned the source of his travel expenses to the California legislative hearings. Poor Dr. Sinai was left plaintively asking, "What has all this to do with the validity of my testimony concerning this legislation?"

Opponents of the Warren bill in the California Assembly initially argued that a two-thirds vote would be needed to pass it, a notion disputed by the administration. But, in fact, there never was a vote by either the full Assembly or Senate on the plan. The Public Health Committee on a 7-3 vote refused to send the Warren bill (and rival CIO bill) to the Assembly floor. After that initial vote, the Republican floor leader advised Warren to drop the health proposal or risk endangering the rest of his legislative agenda.

Warren, however, refused to withdraw. An attempt was made by legislators friendly to Warren to force health insurance to the Assembly floor. During a heated debate, opponents noted that the Warren bill's floor manager, Assemblyman Albert Wollenberg of San Francisco, had opposed the old Olson health insurance plan back in 1939. Wollenberg replied that his thinking had since "advanced" with regard to health insurance and that the Olson and Warren plans were, in any event, not identical. But Wollenberg could not save the Warren proposal. Assembly members voted 39-38 against bringing the Warren plan to the House floor (and 42-34 against bringing forward the CIO bill). The first Warren plan was dead without a formal vote on its merits.

## **Warren II**

Governor Warren was affronted by the legislative tactics used to kill his initial proposal. Rather than let the matter slide, he came back with a second plan. This proposal was a scaled-back version of the

original bill now covering only hospitalization up to thirty days for employees and dependents. Since the new plan did not cover doctor bills, it was to be financed by only a 2 percent payroll tax split between employer and employee. Hospitals around the country had been less resistant to health insurance than doctors were. Their early Blue Cross plans, for example, had originated before the doctor-run Blue Shields came along. So Warren hoped for less opposition to a hospital-only bill than his first plan had produced. He raised the specter of the infamous influenza epidemic that killed millions after World War I. If the epidemic were to repeat after World War II, a similar disaster might occur unless the California population had adequate access to hospitals.

Despite such arguments, Warren's new bill engendered the same opposition as his original plan. A hospital-only plan could be a foot in the door to a later plan covering doctors, something the CMA feared and therefore opposed. Even worse from the perspective of the CMA was the prospect that hospitals might offer state-subsidized medical services in competition with those of doctors. As a result, the outcome for Warren's second plan was the same as the first. It was tabled by the Assembly's Public Health Committee, and proponents failed to produce enough votes to force the new bill to the floor. For the balance of the 1945-1946 legislative session, there were no more health insurance proposals from Governor Warren.

### **Warren III**

Although he failed in his battle for health insurance, Warren was a very popular public figure. In 1946, when he ran for his second term as governor, he captured the nominations of both the Republican and Democratic parties in the primaries. Without major party opposition, he was overwhelmingly elected. Warren viewed his reelection as a mandate and decided to revisit state health insurance. But, as before, he failed to shape public opinion with public forums or to sound out allies and potential opponents through informal consultations. In late 1946, he simply announced there would be a new health care proposal to be submitted to the legislature in early 1947.

The new third plan was still less comprehensive than the second plan and was designed to cover only *major* hospital expenses. In modern terminology, it was a "catastrophic" program. But the window of opportunity for state health insurance was rapidly closing, thanks to developments in the private sector since 1944-1945. By 1947, there had been a significant expansion in job-based health insurance, thanks in part to union demands for such coverage.

Thus, the new Warren plan had to accommodate employer-based health care that was already in place. Warren's solution was what would today be called a "play or pay" feature. Under the new proposal, employers could provide employees with private insurance policies that at least met the standard of the state plan. If employers chose not to provide such insurance privately, they had to join the state system and pay in 2 percent of payroll split between employer and employee on the first \$3,000 of wages.

Despite the cutbacks and compromises, Warren's third proposal went the way of the first two. But the defeat took place in the state Senate rather than the Assembly. Warren's bill produced the same opposition from the medical and business communities that had coalesced in 1945. It was tabled in committee and never taken to the Senate floor. After that defeat, Warren dropped state health insurance from his active agenda. With the exception of Hawaii in the 1970s, no state has put a comprehensive health insurance plan into operation. And the Hawaii plan involved an employer mandate to obtain private insurance, not a state-run insurance fund.

By the late 1940s and early 1950s, employer-based health insurance became entrenched. It produced a network of employers, human resource executives, unions, and insurance carriers committed to retaining the system "as is." The Clinton administration discovered this fact to its chagrin in 1993-1994 when it tried to tamper with the existing order.

### **Was the Outcome Inevitable?**

Upon learning of the Warren episode, some readers will remain convinced that the United States was fated to its current system of job-

based health insurance. But the lesson to be drawn is different. Earl Warren might well have succeeded in enacting his plan had he applied the same political skills that he used to obtain other controversial legislation in California when he was governor. It was quite possible in 1945 that some form of state health insurance could have been implemented in California. Had that occurred, other states might have followed California's lead. Employer-based health insurance—really at an embryonic stage in 1945—might not have become entrenched as the national medical system.

If a California plan had been implemented, President Truman might have pushed for a federal subsidy to state-run plans in 1949—perhaps along the lines of unemployment insurance. Opponents of the Truman plan, whatever it turned out to be, might not have hired Whitaker and Baxter to plan strategy to defeat it. If Warren had succeeded, after all, Whitaker and Baxter would have been viewed as losers. As it was, their success against Warren was a ticket to the national arena. In short, there was much that was accidental rather than inevitable about the evolution of the American health system. Any major health policy decision made—or not made—in the mid-1940s cast a long shadow because the U.S. system was in a formative stage at the time.

As another example of the force of accident, colorful Mayor Fiorello La Guardia of New York City hoped that a national health insurance system would eventually be adopted by Congress. But he knew that Governor Dewey's opposition would prevent interim implementation of a New York State-run plan that might be a model for a national program. Because La Guardia felt that New York City alone could not operate a city-run plan, he essentially created the private Health Insurance Plan (HIP) to cover municipal employees. More importantly, the HIP plan was deliberately designed to be open to other employers.

HIP was a prototype HMO of the type widely in use today. Rather than employ its own doctors along the Kaiser model in California, HIP contracted with private groups of physicians. What La Guardia hoped would be a model for a national government-run capitation plan instead became an early version of modern private job-based

"managed care," yet another accident in the history of U.S. health insurance. In the end, Truman defeated Dewey in the presidential election. But in a complicated way, one might say that Dewey defeated his running mate, Earl Warren, on the health care issue through the accidental intervention of Mayor La Guardia!

### **Lessons from the Past for the Future**

History has a path-dependent quality. It might have been possible to develop a state-run single-payer system in the 1940s along Canadian lines. Doing so now would be far more difficult. Indeed, California saw two attempts in the 1990s to change its system of health insurance. Proposition 166, sponsored by the CMA and on the state ballot in 1992, sought to mandate that California employers provide private health insurance to their employees. It was the CMA's response to managed care, since Proposition 166 would have given doctors more control of the system. But as occurred in 1935, health care reformers in the state who might otherwise have supported the idea of a mandate opposed it in the context of a *doctor-controlled* plan. In yet another repeat of history, California political consultants who helped defeat Proposition 166 were imported to fight the Clinton proposal at the national level in 1993-1994.

Even more striking in its repetition of the past was Proposition 186, which would have created a Warren-style single-payer state fund to provide health insurance. Its sponsors had the resources to put their plan on the state ballot, but they had no strategy for selling Proposition 186 to the electorate in the face of the inevitable opposition. As a result, it went down to overwhelming defeat in 1994.

Will there ever be a window of opportunity for a fundamental change in U.S. health care provision? The erosion of health insurance coverage through employers seemed to pause in the late 1990s. If it resumes, however, the problem of lack of coverage will become more pressing. The aging of the baby boomers into years during which health care becomes more and more important will add to the pressure. Boomer-workers in their years before retirement will become



increasingly concerned about possible loss or retrenchment of employer-based coverage. Once they are retired, the coverage of the boomers by Medicare will stand in sharp contrast to the fate of the younger cohorts of workers who effectively will be supporting their parents and grandparents. Ambitious politicians such as Earl Warren will be attracted to the health care issue. And perhaps one or more of them will develop a better strategy than Warren did for implementing significant health care reform.

## Notes

1. Thus, Paul Starr's well-known history of the U.S. health care system devotes only a paragraph to the Warren health plan (1982, 282-83).

2. The 1918 plan would have included a death benefit that competed with commercial "industrial" life insurance policies. Thus, the plan was also strongly opposed by private insurers.

3. The material that follows is based on documents in the Earl Warren collection of the California State Archives; transcripts of the California State Archives State Government Oral History Program, University of California-Berkeley; transcripts of the Earl Warren Oral History Project conducted by the University of California-Berkeley; and contemporary newspaper reports appearing in the *Sacramento Bee* and the *Los Angeles Times*. Detailed references are available from the author.

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